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. . . . The 32nd meeting of the CIA RETIREMENT BOARD
convened at 2:00 p.m. on Tuesday, 29 March 1966, in Room 5E62 Hq.,
with the following present:

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Mr. Emmett D. Echols, Chairman
[REDACTED] DP Member
[REDACTED] DDP Member
[REDACTED] Member
[REDACTED] T Member
[REDACTED] al Adviser
[REDACTED] nance Adviser
[REDACTED] xecutive Secretary
[REDACTED] Recording Secretary

MR. ECHOLS: The first item of business is the Minutes
of the last meeting, 8 March.

Any additions or corrections to the Minutes?

(No response.) If not, we will accept them as presented.

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The next item on the agenda is the case of **STATSPEC**

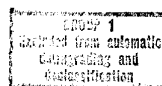
[REDACTED] who has appealed his designation as a participant.

And I think of pertinence here is the fact that the [REDACTED]

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[REDACTED] has reviewed his appeal and it is the opinion

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of their Service Board that [REDACTED] services can well be utilized until he is age 62 in May 1970, and therefore the Board recommends that he be removed from the CIA Retirement System and be restored to the Civil Service Retirement System.

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[REDACTED] May I ask a question here? Since he opted on 9 November 1965 have steps been taken to withdraw the money from the Civil Service and put into our own Fund--

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[REDACTED] I would say, with that date, yes, the application for the refund probably has gone to the Civil Service -- but they're way behind on their actual transfer of accounts and it may or may not have been transferred -- I couldn't answer specifically on his case.

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[REDACTED] Well, if it hasn't been transferred -- it seems to me there has really been no change of position on the part of the Agency, that we need to concern ourselves, and it seems to me had he gotten a little more information than he had in November he would have opted to stay out of the System.

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[REDACTED] There was a personnel action bringing him into the System, based on his option to remain in the System -- and I think, rather than not having information, he had a change of mind, for reasons that I'm not entirely familiar with. Since the personnel action then contained a statement that he had a right to appeal that particular action, he decided on just about the 30th day of the period of grace at that time for such appeals, to make an appeal. We did not recommend his retention under the System to age 62 on the basis of his appeal that he wants to work until age 62. The case went to the IG, who suggested that that might be somewhat of a reason for retaining him in the Agency under the Civil Service System. And we go along with that. He will be useful -- he is very useful now in his present job, and will continue to be. And I

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don't know whether the case can be technically considered to have been one in which he never really got into the System, or not, except that the records do show that he was taken in by official personnel action so it would seem to me that he has to be taken out.

MR. ECHOLS: This is not a case you would care to go to the Director and say: We have got to have this man for another year under the CIA System?

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[REDACTED] No.

MR. ECHOLS: One thing that bothers me about that, John -- and I'd like to inquire about it -- suppose this man or another one like him has in fact been removed from the Civil Service System and placed in the CIA System, and petitions to go back, and we say "fine", but he dies or is otherwise separated prior to completion of a year under the Civil Service System -- then where are we?

[REDACTED] You might be in a mess. That is why if we could wash out this action it might be the better way -- if the Board feels they want to go along with him in principle.

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[REDACTED] I favor going along with him in principle--

And wash the action out.

[REDACTED] I'd like to raise one question on this type of action. I think most of you probably have been following the newspapers on the personnel legislation that is being presented to Congress, particularly the possibility of the age 60 retirement with 20 years' service. Now this man is proposing a 4-year span from the present date before he would reach age 62, at which time under Agency policy he would be reaching the maximum age limit and thereby be excused from further performance of duty. What is the probability, Emmett, of the Agency taking advantage

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of such legislation, if it comes about in the next year or two, permitting retirement after 20 years of service at age 60 instead of 62, and cutting back, so that there would be the breaking point of age 60 for both the CIA Retirement System and the Civil Service System with 20 years. This man could find himself being forced out at age 60 under such a change of policy which the Agency could adopt under new legislation. This is all hypothetical, but it could affect this man's situation, and it could affect the other case that is also before us today.

MR. ECHOLS: Well, certainly I don't think we can afford to let people jump back and forth from one System to another on the basis of this year's legislation, or next year's legislation, and so on. These two Systems are never going to be exactly equal or identical -- I hope ours is always better -- and if he makes this move and some legislation is passed, I would say he did so at his own risk.

25X1A9a [REDACTED] On that Bulletin you put out last week, I think -- how is that going to work? -- if it would be to his advantage to retire under Civil Service because he would get more money, then 15 months before he hit the date of retirement he then is taken out of the System -- he has to be taken out of the System so that he will at least have one year under Civil Service. Well, in this case couldn't this man do precisely the same thing - wait until about 15 months before it's time to retire and then say, "I want to retire under Civil Service"--

25X1A9a [REDACTED] The only time it would be to his advantage is when he would have a total accumulation of service credit which would exceed the 37 years -- and he will never have that advantage.

25X1A9a [REDACTED] The only reason I feel I'd like to go along with this is -- if we haven't had any change of position -- this was so close to the borderline here -- we haven't been harmed if, for instance, he hadn't

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come up until now and had an opportunity to opt out - not to remain in the System -- that if this had been eight or ten months or a year later and the money had been transferred, and a change of position on the part of the Agency, then I would have said it's not so good.

25X1A9a MR. ECHOLS: I'd like to ask one question of you, John. If this man is transferred back to the Civil Service Retirement System and, again, should he die or should he be separated prior to one year of service under that System, would there be any impediment to our putting him back in the CIA System?

[REDACTED] I can't answer you completely, because, as you recall, in this one year business he must have been under the Civil Service for one year of the last two years. So he would, presumably, be all right--

25X1A9a MR. ECHOLS: One year of the last two years only if he is under it for one year.

[REDACTED] If we do it now, he has been under it--

25X1A9a MR. ECHOLS: What if something happens during that first year so he would not have the one year--

[REDACTED] Well, you have a two-year period involved. He has been under it for the last year.

25X1A9a MR. ECHOLS: I'm assuming the case of the man who has been put in the CIA System and then is returned to the Civil Service System but dies or is otherwise separated prior to completion of a year under that System, is there any impediment to our putting him back in the CIA System?

[REDACTED] Would we want to?

MR. ECHOLS: We wouldn't want the man to have no retirement--

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[REDACTED] He would have it under the Civil Service.

That is a chance he is taking now.

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[REDACTED] Would he?

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MR. ECHOLS: Would he?

[REDACTED] I'm not sure I'm getting what you are really driving at, Emmett.

MR. ECHOLS: Well, to qualify under the Civil Service System regulations you must be under the System at least one year of the last two years of Federal service, right? So if this man is belatedly, at the end of his career, put into the Civil Service System and serves less than a year, then presumably under their regulations he has no retirement benefits under that System -- is that right? -- because he wasn't there the requisite one year out of the last two of Federal service.

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[REDACTED] It could be a problem, couldn't it.

MR. ECHOLS: It's not a problem if we could put him back into our System.

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[REDACTED] It wouldn't be a problem in this case but it might be in another case.

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[REDACTED] Isn't the requirement you must be a member of the Civil Service System for one year preceding retirement. Well, since he was a member of the Civil Service System up until December, 1965, in any event [REDACTED] himself would be covered--

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[REDACTED] Oh yes.

MR. ECHOLS: Is it the consensus of the Board that we are willing to let this man go back under the Civil Service System?

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[REDACTED] Talking about washing out the action -- we may be able to cancel the request for transferring the money but we won't be able to cancel all the actions that have taken place on our records since that

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initial action because in the meantime we have been withholding and paying money into the CIA System, and all this money will have to be taken out and transferred back into the Civil Service System.

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[REDACTED]: That was one of the points I wondered about.
[REDACTED] Internally you could do some checking to see

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whether this has already been transacted with the Commission--

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[REDACTED] Yes, if you call [REDACTED] he might be able to find out immediately and stop that. But so far as our withholdings under CIA this will have to be our own internal adjustment -- picking him up and putting this man's money back on the Civil Service card - picking that up again.

MR. ECHOLS: Any further discussion or any objections to this proposal? (No response.) Okay.

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The next case is [REDACTED] Was he recommended

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by this Board--

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[REDACTED] He came before the Board and missing from his case was a completed Service Agreement. Under our administrative procedures we then go back to the Career Service concerned. They, in turn, forwarded a dispatch to the field [REDACTED] in which they requested a Service Agreement, and transmitting that back the Chief of Station [REDACTED]

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then indicates that the individual does not wish to be considered for designation as a participant in the Agency Retirement Program.

MR. ECHOLS: Then our action is merely to--

[REDACTED] This will be an opportunity to, in essence, be heard by the Board--

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[REDACTED] This case is just like that one I think at the last meeting that we decided that we just wouldn't designate him -- and I suggest we do the same thing here.

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MR. ECHOLS: As I recall in that last case the man said,
"I'm willing to sign this Service Agreement but I don't want to be in the
System" -- is that correct?

[REDACTED] This man has said the same thing. He has
signed it.

[REDACTED] An opportunity to serve an additional two years
is what tips it in favor of Civil Service.

[REDACTED] The same question I raised about this 60/20
possibility applies here as well, especially if the Agency should adopt a 60
high age limit.

MR. ECHOLS: Well, both of these men are taking a calculated
gamble that their services will be desired until age 62 -- and that seems
fair enough to me. Is there any objection to our not designating [REDACTED]
(No response.) Any further discussion on the matter? (No response.)

Then let it be recorded we will not designate [REDACTED] to our System.

The last item is a review of cases. How many
cases do we have?

[REDACTED] We have 302 -- it would be 303 with that one
you mentioned earlier.

MR. ECHOLS: Group A consists of one individual, age 51,
27 years of Federal Service, 18 years of Agency Service, who has applied
for voluntary retirement to be effective on 30 April 1966. His request has
been endorsed by the Head of his Career Service and is of record in the
CIA Retirement Staff. He has performed more than 60 months of verified
qualifying service. Any discussion? (No response.) May I have
a motion on his petition?

[REDACTED] I so move.

[REDACTED] I second it.

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. . . . This motion was then passed

MR. ECHOLS: In Group B we have three extensions -- they are all subject to mandatory retirement, and their Career Services have requested extensions of less than a year's duration -- which is within my authority.

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[REDACTED] Is this 31 March 1966 a correct date for

[REDACTED]? That is in two days.

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[REDACTED] That is right. He has apparently waived all rights to a notice and so on. We do have a memo on this [REDACTED] case.

. . . . Mr. Echols then read this memo to the Board

MR. ECHOLS: Any discussion on these three cases? (No response.) May I have a motion to extend these individuals as indicated?

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[REDACTED] I move these extensions be approved.

Second.

. . . . This motion was then passed

MR. ECHOLS: In Group C are 71 cases of individuals who will acquire a vested right, if designated, upon designation.

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[REDACTED] Mr. Chairman, in the absence of any discussion, I move that we offer to designate these individuals under Group C.

MR. ECHOLS: Let me ask you this, Phil: were there any difficult cases in this Group, or are they all clear cut?

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[REDACTED] I could see none, Sir.

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[REDACTED] Before the meeting we were just observing that some of these people will have about 39 or 40 years of service at age 60, and it raises the possibility that for some of them it would be to their advantage for them to be under Civil Service, and I was just speculating whether this raises any problems about at the end of a man's career having to transfer funds one way or the other. Now admittedly a lot of them will probably opt for early retirement, but I would imagine that some of them will stay right on until they pass that point of 37 years and then opt in.

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Does this raise any financial problems with the Fund?

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[REDACTED] Well, it isn't easy.

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[REDACTED] I just happened to pick the case of [REDACTED]

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as a case in point--

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[REDACTED] The principle is already established that within not less than one year of retirement where it is beneficial to the individual to revert to the Civil Service System he will be given an opportunity to do so.

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[REDACTED] At these points these would be sizable transfers of funds - some of them.

[REDACTED] Well, we have this Bill in right now, Karl, so this would be an automatic transfer back and forth of both the government's contributions and the individual's contributions -- so that should make it less burdensome -- although it is still a transaction. Furthermore, to be hypothetical, this Cabinet Committee did focus on this question of 80% maximum with Civil Service and 70% in the Foreign Service -- they did not mention us specifically in this regard -- and it is conceivable we may see that 70% change over the years - who knows? So it may not be a problem when it comes up.

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[REDACTED] There has also been discussion about the consolidation of these Funds. Fifteen or twenty years from now at the

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time these fellows get into this act maybe the administration of these retirement systems will be under one authority and we will merely say to Civil Service: Here is a man you retire under the CIA System and benefits" - and there's no transferring of money.

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[REDACTED] Yes, that may well be.

[REDACTED] I would be happy to see that. (Laughing)

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MR. ECHOLS: Do we have a motion to accept this Group C - these 71 individuals?

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[REDACTED] So move.

[REDACTED] Second.

. . . . This motion was then passed

MR. ECHOLS: Group D are those who will complete 15 years of Agency service within six months and therefore this review is concurrent with the review for purposes of designation. Any discussion on this Group? (No response.) May I have a motion?

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[REDACTED] I so move we offer to designate these people.

[REDACTED] Support it.

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. . . . This motion was then passed

MR. ECHOLS: Group E, a simple designation of 207 cases.

[REDACTED] I'd like to bring some information to the Board's attention on this No. 127, [REDACTED] is qualified on the basis of past service and on the basis of now being in a career field that requires qualifying service. However, [REDACTED] is actively pursuing job opportunities in the Agency which will no longer require

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overseas service, for the reason that she does not want to go overseas again, for reasons of her own -- I think family considerations which make it difficult if not impossible for her to serve overseas again. It seems to me in a case such as this that we would not be acting in consonance with the spirit of the System to bring in somebody who is willfully attempting - regardless of the reasons for it - to avoid future qualifying service -- because she certainly will not be in a career field if she succeeds in her efforts to find another job in the Agency which does not require such service.

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[REDACTED] She has signed the service agreement?

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[REDACTED] She has, yes. We have received one -- we have a current one.

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[REDACTED] I suggest that we might at least defer consideration of this case until the outcome of her efforts to go elsewhere.

MR. ECHOLS: You mentioned family considerations. Is she a married woman?

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[REDACTED] No. I think the difficulty is a dependent mother in ill health--

MR. ECHOLS: Yet these situations, as you now, can change over night, literally -- by the death of a parent or something--

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[REDACTED] But the reason for her seeking another job is that specific matter of getting out of a field in which she has to go overseas.

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MR. ECHOLS: John, do you see any objection to deferring a case like this for three months?

[REDACTED] Well, I personally have a different view than Roger on this. She has met every one of the criteria and is still meeting

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them. We know from what Roger said she has an intent to do something which if the mother died can change next month. So I have sort of the feeling that she has met the criteria, she is meeting the criteria, why deny her? And you can look at this again on the 15th year review to see what final action you want to take. Because our grounds for deferring are a stated intention of trying to avoid a tour for the time being. Well, that doesn't appear in the regulations anywhere as a valid excuse for deferral or denial of designation. Now, granted, the Board has discretion-- I'm just saying I take this particular view myself.

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[REDACTED] Part of our procedure, as you know, is six months prior to completion of the 15th anniversary we will go to the Head of the Career Service and ask for a certification, which in turn supports the action you must take in judging the career field to be qualifying.

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[REDACTED] Technically she could take a position: "Wherein have I failed to meet the criteria?" And the answer is: "You haven't."

MR. ECHOLS: Depending upon how true or false her certification of willingness to go here and there--

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[REDACTED] Well, that is a judgment certainly the Board is entitled to make.

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[REDACTED] What was the date of the service agreement?

[REDACTED] I don't have it with me, but I know we have received it. It would have been a fairly recent date.

MR. ECHOLS: It seems to me that if we put her in the System it's going to be a lot more difficult to take her out of the System just before completion of the 15 years. Maybe if we defer the case for a few (years) -- and if she did go overseas then you should put her in.

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[REDACTED] She may want to withdraw her service agreement if--

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[REDACTED] Something doesn't square here.

MR. ECHOLS: I think we at least ought to verify whether

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she really means that service agreement today.

[REDACTED] Wouldn't this be up to the Career Service? -

and in that case they would perhaps redline her, if they determine she is not qualified for the nomination.

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[REDACTED] She is dickering with NPIC for a job that will be permanently in this area -- I don't know their decision, if it has been made at all.

MR. ECHOLS: It seems to me it would be appropriate, in terms of the new information we have which at least casts some doubt as to her qualification for the System, to return this case to the Career Service Board and ask them to verify that she does meet all of the criteria and then come back to us. Now they may come back with a redline on the case, if it is appropriate.

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[REDACTED] I'm not sure but I think at the time that we passed this case as a normal case we were not aware of this, and I'm not too sure she had this same intention at that time herself. This is a fairly recent development.

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MR. ECHOLS: Well, if it's agreeable with the Board, we will return this case to [REDACTED] Career Service Board.

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Are there any other cases here calling for discussion or that you would like particularly to bring to our attention?

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[REDACTED] I'd like to raise one on Case No. 32,

[REDACTED] and this has no bearing on the decision in this case, but the claim there was, as I remember, 101 months of qualifying service, and I was just wondering how that came about. It doesn't affect the decision in

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25X1A9a the case, I don't think, but I was just wondering--

25X1A9a [REDACTED] 102 months of Agency service.

[REDACTED] This is based on what the Career Service reported to us. Now we are not saying it's qualifying service, we are saying it is claimed.

25X1A9a MR. ECHOLS: We haven't attempted to verify this service.

[REDACTED] Oh, I see.

25X1A9a Now, I had a question -- and, again, this is just

25X1A9a for my edification -- Case No. 61 - [REDACTED] and Case No. 164 -

[REDACTED] I thought these two cases might be good cases to review before the Board. Here this person has five years of Agency service and has right now eight months and 27 days of qualifying service. If this were the 5 year review he is supposed to have 18 months. Now this person can get 36 months by the end of the 10 year review but it's a question whether he would have another tour of duty within that period -- because, as I remember, his tour of duty was to expire in June of 1967 -- so he would have 24 months, and unless he was given another tour of duty so that he could get his 36 months by the end of the 10 years this person would not have made his 36 months at the end of 10 years, and he would not have made his 18 months at the end of five years. I just raise this for discussion. I wouldn't have been concerned if he had had 18 months, let's say, now, because for the five year review he would have had his 18 months in.

MR. ECHOLS: Mike, doesn't the five and ten year review run from the date of the initial designation? The 15 year (runs) to Agency service. So that is no problem there.

25X1A9a [REDACTED] That is what I wanted to hear.

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[REDACTED] Also, your letter of guidance on nominations which went to the Career Services cautioned them against nominating people who obviously would not make it at the time of the appropriate reviews. And I think we can assume if the Career Service has nominated somebody they have an intention that the man's career will be so planned as to cause him to be eligible when the reviews occur.

MR. ECHOLS: I agree with you in principle, Roger, but I don't assume anything around here. (Laughing)

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[REDACTED] Well, that answers my question.
[REDACTED] But let me get this straight -- because, like Mike, I wasn't aware -- I thought the five year review was after five years of Agency service -- but it's after five years of participation?

MR. ECHOLS: Yes. It's conceivable that a 15 year review would come up before the 10 years.

Any other cases for discussion? (No response.)

If not, may I have a motion?

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[REDACTED] Move the approval.

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[REDACTED] Second -- with the exception of [REDACTED]

. . . . This motion was then passed

MR. ECHOLS: Any other, new business? (No response.)

. . . . The meeting adjourned at 2:45 p.m.

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